

## Message Text

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PAGE 01 THE HA 02009 111442Z  
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00  
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 PM-05  
SP-02 SS-15 INRE-00 NSCE-00 SSO-00 TRSE-00 OMB-01  
/059 W

-----082077 111447Z /45

O R 111328Z APR 78  
FM AMEMBASSY THE HAGUE  
TO SECSTATE WASHDC IMMEDIATE 2414  
INFO MEMBASSY LONDON 5885  
AMEMBASSY PARIS

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E.O. 1165 N/A  
TAGS: EAIR, NL  
SUBJECT: DUTCH DENY PAN AM BUDGET FARE APPLICATION - COMMENT  
  
REF: A) THE HAGUE 1969; B) STATE 91740KNOTAL)

1. WE ARE SEEKING AN EARLY APPOINTMENT WITH FOREIGN MINISTRY  
TRANSPORT ADVISER NIEUWENHUISEN TO MAKE POINTS REFTEL B AND  
SEEKFORMAL EXPLANATION OF REASONING BEHIND DUTCH DENIAL.  
  
2. IN TELEPHONE CONVERSATION APRIL 11 WITH CIVIL AVIATION  
SERVICE OFFICIAL SCHREUK, WE ASKED FOR THE LANGUAGE IN ARTICLE  
6 (A) ON WHICH STATE SECRETARY SMIT BASED HER DECISION.  
SCHREURS WAS UNABLE TO SAY. IN RESPONSE O OUR SPECIFIC  
QUESTION WHETHER MRS. SMIT WAS REFERRING TO THE CLAUSES  
ALLOWING GOVERNMENTAL INTERVENTION TO PREVENT "PREDATORY OR  
DIKRIMINATORY PRACTICES" OR TO PROTECT "CONSUMERS FROM THE  
ABUSE OF MONOPOLY POWER," HE SAID NO. INSTEAD SCHREURS SEEMED  
TO BE CLAIVING THAT ARTICLE 6 (A) WAS SUBJECT TO IATA REGULATIONS,  
EVEN THOUGH IATA IS CURRENTLY IN AN OPEN FARE SITUATION.

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3. PAN AM KD KLM HAVE ISSUED SEPARATE PUBLIC STATEMENTS  
(SEPTEL). BOTH AIRLINES HAVE ACCEPTED SCHREURS' INVITATION  
TO TALK WITH HIM APRIL 13.  
  
4. COMMENT: THE CIVIL AVIATION SERVICE IS DISTINCTLY UN-  
COMFORTABLE. ANOTHER CIVIL AVIATION SERVICE OFFICIAL, R. TROOST  
TOLD US SHORTLY AFTER HIS RETURN FROM THE WASHINGTON TALKS IN

MARCH THAT THE GOVERNMENT WOULD BE UNDER GREAT PRESSURE TO ACCEPT VIRTUALLY AXFARE APPLICATION FROM PAN AM AND THAT HE HOPED THEREFORE THAT PAN AM WOULD NOT BE UNREASONABLE. THE AIRLINE'S PROPOSED FARE OF \$148AMSTERDAM-NEW YORK APPARENTLY WAS MORE THAN THE DUTCH COULD SWALLOW, AT LEAST AT THE RATE OF 2.20 GUILDER TO THE DOLLAR USED BY PAN AM. CUCOUSLY, KLM'S APRIL 7 APPLICATION APPEARS TO HAVE BEEN SUBMITTED AT MOST ONLY ONE DAY BEFORE MRS. SMIT MADE HER DECISION, SINCE A REPORTER LEARNED FROM MRS. SMIT APRIL 8 THAT A LETTER DENYING BOTH PAN AM'S AND KLM'S FILINGS WAS ON HER DESK FOR SIGNATURE AT THAT MOMENT. THE FACT THAT KLM HAD SUBMITTED AN APPLICATION FOR A SIMILAR LOW FARE WHICH COULD BE REJECTED AT THE SAME TIME WAS A CONVENIENT COINCIDENCE, MAKING IT POSSIBLE FOR MRS. SMIT TO APPEAR EVEN-HANDED.

BROWN

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BUDGETS, AIR FARES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978THEHA02009  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780155-0725  
**Format:** TEL  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 649261b2-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 THE HAGUE 1969, 78 STATE 91740  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3001220  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DUTCH DENY PAN AM BUDGET FARE APPLICATION - COMMENT  
**TAGS:** EAIR, NL, PANAM  
**To:** STATE  
**Type:** TE  
**vdkvgwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/649261b2-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
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